# PHILADELPHIA MULTIFAMILY HOUSING HUB NEWS



Vol. 4 No. 8

Encarnacion Loukatos, Hub Director

Thomas Langston, Editor

May 2005



www.hud.gov/local/shared/working/r3/ mfhsg.cfm?state=pa

# Inside this Issue:

■ Model NN Center
Income Limits
Loan Sale Pg. 2
Section 811 Project Pg. 2
Single-Ply Roofs Pg. 3
■ Forensic Engineering Pg. 3
Emergency Plans Pg. 3
■ Suspension of Section 8Pg. 3
■ "Green" Building Pg. 4
Regulatory Barriers
■ Closings Pg. 4



#### **Model Neighborhood Network**

Sherman Hills Apartments, a newly opened Neighborhood Network Center, in Wilkes-Barre, PA, is



offering its 350 residents a large menu of activities including:

\*General Equivalency Diploma (GED) programs are offered at no cost to residents by Career Links, a local nonprofit partner.

\*Employment counseling and jobsearch assistance are also provided by Career Links. Residents receive individual passwords to search Career Link's job database using computers at the Neighborhood Networks Center.

\*Health education and screening is provided each month by another local partner, Mercy Healthspan, which sends its mobile health unit, staffed by a doctor and a medical team, to Sherman Hills.

\*Open houses and education fairs introduce and market center programs to residents and the larger community.

\*Children's activities include co-ed scouting and a free summer lunch program, sponsored by the Commission on Equal Opportunity.

Also under development is an onsite daycare center being developed with the Black Mountain Harvest Church and the Red Cross.

\*Computer skills tutoring is provided by Luzerne County Community College professors and students who come several times a week to the center.

\*Social events include holiday parties, hayrides, and weekly get-togethers.

Center Director Terrie Kirschner has lived and worked in the area for 30 years- first as a property manager and then as a service coordinator. This experience gives her an advantage in knowing what local resources are available and how to market the Garden Tech Center to prospective partners and to residents.

Kirschner has discovered several effective strategies to increase resident participation: The strategies include: holding open houses with food and prizes; publicizing center events in local newspapers to increase the center's visibility; involving residents in marketing center activities (e.g., flyers and newsletters) to other residents; and resident questionnaires.

"Last year I attended the Neighborhood Networks national conference and have also received HUD technical assistance," says Kirschner. "Both have opened avenues for strengthening Sherman Hill's programs and partnerships."

Sherman Hills Neighborhood Networks Center has many success stories—from the 15 residents currently enrolled in the GED program to the 30 children who participated in the summer lunch program.

Kirschner talks enthusiastically about one resident who had dropped out of high school but then earned her GED through the Center's program and is now enrolled at Luzerne County Community College.

We congratulate Sherman Terrace Associates and Preservation Management for operating a successful model Neighborhood Network Center that should be emulated by other projects.

# **Income Limits**

HUD recently released the estimated median family income and income distribution estimates for fiscal year 2005. The estimates are for 356 metropolitan areas and 2,302 nonmetropolitan areas in the U.S. and its territories. The estimated median family income for the U.S., for FY 2005, is \$58,000.

HUD's median income estimates are of interest to housing and community development professionals because they are used as the basis for income limits for several HUD programs, including the Public Housing, Housing Choice Voucher, CDBG, and HOME programs. These estimates are also used to establish the income limits for the Department of Agriculture's Rural Housing program and the Department of Treasury's Low Income Housing Tax Credit program.

Of the 2,658 metropolitan and non-metropolitan areas, ninety percent experienced median income increases of five percent or less. Twenty-seven areas (or one percent) of all areas experienced an increase in the median income estimate of between 110 and 120 percent. The areas with the highest increases in median incomes were located in eighteen states.

The Fiscal Year 2005 HUD median family income estimates are based on 2000 Census data on family incomes updated to 2005 using Census P-60 median family income data, Census American Community Survey data on changes in state median family incomes, and local Bureau of Labor Statistics wage data.

The FY 2005 HUD income estimates and income limits are available as a free download from HUD USER at www.huduser.org/datasets/il/il05/index.html

#### Loan Sale

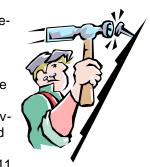
HUD sold all 49 of the HUD-held loans that were offered at its March 16 loan sale, for \$255 million (64.2% of overall sales price). The next sale is planned for August 2005. Visit HUD's Multifamily and Healthcare Loan Sale website, for sales results, at:



www.hud.gov/offices/hsg/comp/asset/mfam/mhls.cfm.

### 811 Project Built with Combination of Funds

The South Side Local Development Company, a community development corporation, and the nonprofit ACTION Housing, Inc. will build a 12-unit Section 811 independent living project for the disabled in Pittsburgh this year-Bausman Street Independent Living. The project will be financed by pooling together grants from area foundations and Section 811



funds from HUD. United Cerebral Palsy of Pittsburgh, Mercy Behavioral Health, and Residential Care Services will provide services at the site for a spectrum of disabilities.

The Bausman Street project is designed to fit in with the neighborhood, with dwellings in three buildings that have front porches and pitched roofs. Each 1-BR and 2-BR apartment is a one-story, handicapped-accessible unit.

The South Side-ACTION joint venture submitted the application for the project to HUD on June 5, 2002. During that year, it received a Section 811 capital advance of \$926,800. However, a large financing gap developed that it considered filling with low-income housing tax credits from PHFA. The mixed-financing approach was determined to be infeasible due to the requirement of additional units. The project's estimated cost was \$2.1 million.

Instead, to make the project work, the Pittsburgh Program Center agreed to provide a Section 811 contract amendment of \$658,000 if the sponsor could raise the balance of the shortfall. ACTION Housing Inc., was successful in obtaining \$530,500 in grants from the following sources: Urban Redevelopment Authority of Pittsburgh, \$278,000; Pennsylvania Department of Community and Economic Development, \$100,000; Birmingham Foundation, \$50,000; FISA Foundation, \$50,000; Pittsburgh Partnership for Neighborhood Development, \$20,000; PNC Bank Foundation, \$15,000; Mellon Financial Corporation, \$10,000; and Citizens Bank \$7,500.

As a result of the efforts of everyone involved, the project was initially endorsed on December 21, 2004.

# **Single-Ply Roofs**

In the February 2005 issue of <u>Buildings</u>, it was stated that single-ply roofing membranes have grown in popularity due to their flexibility, ease of installation, factory-controlled quality, and relative low cost (\$1.50 -\$4 sq. foot).



There are two types of single-ply membranes— thermoplastics and thermosets. Thermoplastics (such as PVC and TPO) use hot-air to weld seams into cohesive laps. Thermosets, however, use tape or contact cement to make up the laps.

When considering a fastening method, you could consider the one most appropriate for your application (e. g., wood, metal, or concrete roof deck). There are three types: mechanically fastened (will work on most roof decks), fully adhered (membrane glued to the substrate), and ballasted (.75-1.5 inch aggregate).

Regardless of the roofing system you choose, proper installation and maintenance are critical. It is suggested that you contact the National Roofing Contractors Association (www.nrca.net) or the membrane's manufacturer for a list of approved installers.

# Forensic Engineering

A new and "high-tech" way to diagnose and prevent problems, or analyze system performance in high-rise buildings, is to employ the techniques of forensic engineering.

Forensic engineers, when possible, use non-invasive devices such as electromagnetic detection equipment, infrared imaging, ground-penetrating radar, and X-ray imaging to analyze complex structural or system problems. When necessary, they also utilize borescopes, fluorescopes, and videoscopes to minimize the amount of material that must be removed for the inspection.

Forensic engineering can be used to detect construction deficiencies (e.g., improper exterior wall flashing), maintenance deficiencies (e.g., roof penetrations), design flaws (mold due to improper mechanical ventilation system), causes of pipe corrosion, etc. It can also be used to recommend elements to incorporate into the

design of new buildings to increase life-cycle rates and lower maintenance costs.

#### **Building Emergency Plans**

The American Red Cross of Southwestern PA has developed two excellent guidebooks for dealing with emergencies in facilities with special populations.



The two guides, Emergency Planning Guide and Emergency Operations Plan— A Model for Facilities with Special Needs, describe the organizational and general operational concepts and procedures to be implemented at special needs facilities in order to maximize the effectiveness of emergency assistance, minimize the loss of life and property, and to expedite recovery from disaster. To accomplish this, the guides outline the following ten steps to establish an emergency plan for a facility: create a planning team, identify the hazards, determine the appropriate protective actions, perform a resource and capability assessment, establish responsibilities and a chain of command, build the plan, prepare the annexes, conduct training exercises, share the plan, and periodically review and revise the plan.

Managers of Section 202 and 811 projects are strongly urged to obtain copies of these publications. They can be downloaded from the Red Cross' website at: www.swpa.redcross.org.

#### **Suspension of Section 8 Payments**

Nationally, 578 projects have had their Section 8 vouchers suspended in TRACS due to a lack of tenant certification information. In the Philadelphia Hub, 45 projects were affected. The breakdown, by Program Center, is as follows: Philadelphia- 6, Pittsburgh- 2, Newark- 32, and Charleston- 5. Program Centers were advised that funds from the Residual Receipts or Reserve for Replacement accounts cannot be released to compensate for the lack

stored until the projects are in full compliance.

### **Aging Population Facts**

Today, more than 35 million Americans are 65 years or older. New Jersey ranks ninth among states in this demographic statistic. In fact, in some of its counties, older Americans account for more than 25% of all residents.

of subsidy income. The Section 8 subsidy will not be re-

### PHFA's "Green" Building

Last year, the Pennsylvania Housing Finance Agency (PHFA) moved into its new headquarters' building in downtown Harrisburg, PA.

In designing its new building, PHFA incorporated some of the historic

characteristics of the surrounding properties and the latest technologies for energy conservation and environmental sensitivity. Another goal was to design working conditions that enhance and encourage productivity.

For starters, the office building was designed with a light beige color with a white roof to reduce the "heat island effect" that is common to dense urban areas. Because the building reflects heat, it has a reduced aircondition- ing load and energy consumption. The building also features an abundance of glass and windows reducing the need for artificial light.

Integrated systems are centrally managed and monitored to work together. For example, the lights are controlled by photocells that adjust overhead lighting as needed. Rooms have motion sensors to turn lights off and on when someone enters a room. Interior paints were also selected for their reflectivity.

Other unique features of the building are: a 10,000 gallon rainwater storage tank for toilet flushing, low-volume plumbing fixtures, high level of roof and wall insulation, steam heat from Harrisburg's municipal incinerator, a fresh air intake system using carbon monoxide sensors, compartmentalized ventilation, 25% recycled materials (carpets, wall fabrics, steel, and concrete), use of renewable resources (e.g., bamboo floors), and modular workstations with ergonomic chairs.

Lastly, 80% of the waste generated during construction was recycled.

The building is an excellent example of an efficient, environmentally sensitive 21st century building. After the mandatory operating cycles and testing periods required for accreditation, it is expected to earn a "Silver Certification" from the U.S. Green Building Council—the second highest level in the LEED (Leadership in Energy and Environmental Design) rating system.

#### **Regulatory Barriers**

HUD has released "Why Not in Our Community?"- a report examining the impact of regulatory barriers on affordable housing. This represents HUD's first substantive, published examination of the impact of regulatory barri-



ers on affordable housing since the landmark 1991 report "Not In My Back Yard: Removing Barriers to Affordable Housing."

"Why Not in Our Community?" examines the ways in which the regulatory environment has influenced housing development over the past 13 years, describes recent regulatory trends, and demonstrates that the problem of regulatory barriers to affordable housing still remains. It further reviews recent efforts by states and local communities to reduce regulatory barriers and identifies some of the major actions being implemented by the Department to reduce these barriers.

The report examines the major obstacles to affordable housing development, including: increased complexity of environmental regulation; misuse of smart growth; NIMBYism in the suburbs; impact fee expansion; and urban barriers- building codes, rehabilitation, and infill development.

Highlighting efforts in New Jersey, California, Florida, Idaho, Ohio, Minnesota, and Arizona, the report highlights some of the state and local strategies used to remove regulatory barriers. These success stories and thousands of others can be found on HUD's online Regulatory Barriers Clearinghouse database at: www.regbarriers.org.

To view a PDF file of the new "Why Not in Our Community?" Removing Barriers to Affordable Housing, visit ww.huduser.org/publications/affhsg/whynotourcomm. html. To view the 1991 study "Not In My Back Yard": Removing Barriers to Affordable Housing, visit www.huduser.org/publications/RBCPUBS/NotInMyBackyward.html.

# **Closings**

The following FHA Initial Endorsements occurred in April: Arcadia Nursing (NJ), Coraopolis Gardens (PA), Verona Gardens (PA), and Twin Knobbs (WV). Both Coraopolis Gardens and Verona Gardens are in underserved areas.